

Painesville holds off on fee increase

News-Herald
5-17-2011

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Though Painesville City Council had the opportunity to vote on the city's proposed infrastructure improvement fee at Monday's meeting, it opted instead to hold off until June to make a final decision.

The main question council members continued to kick around was whether the fee should be a flat, equal rate for all customers or a use-based percentage increase that would cost more for customers who use larger quantities water.

The fee is needed to fund about \$15 million worth of necessary water line improvements.

While numerous residents have spoken at council meetings in favor of a use-based rate, some council members and city officials have voiced favor for a flat rate.

City Finance Director Andrew Unetic said a flat rate would be a more reliable source of funding for the city.

"The easiest way would be a flat fee. That way

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there are less variables to muddy the waters," Unetic said. "You don't have to worry about decreased usage or your expenses going up."

Unlike the use-based fee, which would take two or three years to yield the desired revenue, the flat fee would pay dividends immediately and prevent any possible need to borrow money, Unetic said.

"You know what you're getting and you get that money in year one," he said.

The city was in a similar, albeit less severe, situation in 2008 when a different use-based fee went into effect.

However, council did not foresee customers responding to the increase by using less water. When that happened, the city was left without as much funding as expected.

As a result, council has taken into consideration that customers could react simi-

larly to this hike.

"All these examples include a 5 percent reduction in usage," Hada said.

"If any of these (plans) are approved we shouldn't have to worry about that issue this time."

Council unanimously voted to hold off on the ordinance and will next discuss it at a work session scheduled for Monday.

Hada said he hopes the city will put a plan in effect quickly.

"Construction season is starting up now," he said. "If we don't make a decision by June, it's going to be tough to get work done on Elm or any other streets this year."

A flat fee could cost customers an additional \$5 and \$10 a month while a use-based fee could cost more or less than that, depending on numerous factors.

Separately, council discussed preliminary plans for the Windmill Estates Subdivision, located east of the Heis-

ley Park Subdivision and north of Jackson Street.

Several years ago, a plan for the site was approved but it expired before construction began. The developer later submitted another plan, which was denied for not being in line with subdivision regulations.

The developer filed a lawsuit against the city, and the litigation is pending, although City Law Director Joseph Gurley said he thinks the suit will be dropped should council approve this latest plan.

The development would bring 144 single family homes — each worth about \$180,000 to \$250,000 — to Painesville.

The plans were adopted for approval, but Councilmen Hal Werner and Andrew Flock voted against it.

Council is expected to continue discussing the measure, and to vote on the infrastructure improvement fee, at its next regular meeting, scheduled for June 6.